

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	File No. EB-08-SE-519
	)	
TTE Technology, Inc.	)	Acct. No. 200832100084
	)	
	)	FRN No. 0018101915

**ORDER**

**Adopted:** September 10, 2008

**Released:** September 12, 2008

By the Chief, Enforcement Bureau:

1. In this Order, we adopt the attached Consent Decree entered into between the Enforcement Bureau (“Bureau”) and TTE Technology, Inc. (“TTE”). The Consent Decree terminates an investigation by the Bureau against TTE for possible violations of Sections 15.117(a) and 15.117(i)(1)(iii) of the Commission’s Rules (“Rules”),<sup>1</sup> regarding the importation or interstate shipment into the United States, after March 1, 2007, of new television broadcast receivers without digital tuners for sale or resale to the public in the United States.

2. The Bureau and TTE have negotiated the terms of the Consent Decree that resolve this matter. A copy of the Consent Decree is attached hereto and incorporated by reference.

3. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree and terminating the investigation.

4. In the absence of material new evidence relating to this matter, we conclude that our investigation raises no substantial or material questions of fact as to whether TTE possesses the basic qualifications, including those related to character, to hold or obtain any Commission license or authorization.

5. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Communications Act of 1934, as amended,<sup>2</sup> and sections 0.111 and 0.311 of the Commission’s Rules,<sup>3</sup> the Consent Decree attached to this Order **IS ADOPTED**.

6. **IT IS FURTHER ORDERED** that the above-captioned investigation **IS TERMINATED**.

<sup>1</sup> 47 C.F.R. §§ 15.117(a) and 15.117(i)(1)(iii).

<sup>2</sup> 47 U.S.C. § 154(i).

<sup>3</sup> 47 C.F.R. §§ 0.111, 0.311.

7. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by first class mail and certified mail, return receipt requested, to counsel for TTE, Larry R. Sidman, Esq., Paul, Hastings, Janofsky & Walker LLP, 875 18<sup>th</sup> St., NW, Washington, DC 20005.

FEDERAL COMMUNICATIONS COMMISSION

Kris Anne Monteith  
Chief, Enforcement Bureau

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TTE Technology, Inc.	)	
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**CONSENT DECREE**

The Enforcement Bureau (“Bureau”) and TTE Technology, Inc. (“TTE”), by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Bureau’s investigation into whether TTE violated Sections 15.117(a) and 15.117(i)(1)(iii) of the Commission’s Rules (“Rules”),<sup>1</sup> regarding the importation or interstate shipment into the United States, after March 1, 2007, of new television broadcast receivers without digital tuners for sale or resale to the public in the United States.

**I. DEFINITIONS**

8. For the purposes of this Consent Decree, the following definitions shall apply:
- (a) “Act” means the Communications Act of 1934, as amended U.S.C. §§ 151 *et seq.*
  - (b) “Adopting Order” means an Order of the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
  - (c) “Bureau” means the Enforcement Bureau of the Federal Communications Commission.
  - (d) “Commission” and “FCC” mean the Federal Communications Commission and all of its bureaus and offices.
  - (e) “Compliance Plan” means the program described in this Consent Decree at paragraph 8 and, as summarized in Appendix A, attached to this Consent Decree.
  - (f) “Effective Date” means the date on which the Bureau releases the Adopting Order.
  - (g) “Investigation” means the investigations commenced by the Bureau’s May 14, 2008 Letter of Inquiry<sup>2</sup> regarding whether TTE violated Sections 15.117(a) and 15.117(i)(1)(iii) of the Rules regarding the importation or interstate shipment into the United States, after March 1, 2007, of new television broadcast receivers without digital tuners for sale or resale to the public in the United States.
  - (h) “Parties” means TTE and the Bureau.

<sup>1</sup> 47 C.F.R. §§ 15.117(a) and 15.117(i)(1)(iii).

<sup>2</sup> See Letter from Kathryn S. Berthot, Chief, Spectrum Enforcement Division, Enforcement Bureau, to Susan Modelski, TTE Technology, Inc. (May 14, 2008) (“May 14, 2008 LOI”).

- (i) "Rules" means the Commission's regulations found in Title 47 of the Code of Federal Regulations.
- (j) "TTE" means TTE Technology, Inc. and its predecessors-in-interest and successors-in-interest.

## II. BACKGROUND

9. Pursuant to Sections 15.117(a) and 15.117(i)(1)(iii) of the Rules, effective March 1, 2007, all new television broadcast receivers with screen sizes less than 25" shipped in interstate commerce or imported into the United States, for sale or resale to the public, were required to be equipped with DTV tuners.

10. On May 14, 2008, the Bureau issued a letter of inquiry (LOI) to TTE.<sup>3</sup> The May 14, 2008 LOI directed TTE, among other things, to submit a sworn written response to a series of questions relating to its compliance with the Commission's DTV tuner requirement. TTE responded to the May 14, 2008 LOI on July 10, 2008.<sup>4</sup>

## III. TERMS OF AGREEMENT

11. **Adopting Order.** The Parties agree that the provisions of this Consent Decree shall be subject to final approval by the Bureau by incorporation of such provisions by reference in the Adopting Order without change, addition, modification, or deletion.

12. **Jurisdiction.** TTE agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and has the authority to enter into and adopt this Consent Decree.

13. **Effective Date; Violations.** The Parties agree that this Consent Decree shall become effective on the date on which the Bureau releases the Adopting Order. Upon release, the Adopting Order and this Consent Decree shall have the same force and effect as any other final Order of the Bureau. Any violation of the Adopting Order or of the terms of this Consent Decree shall constitute a separate violation of a Bureau Order, entitling the Bureau to exercise any rights and remedies attendant to the enforcement of a Commission Order.

14. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for termination by the Bureau of the Investigation in accordance with the terms of this Consent Decree, TTE agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that in the absence of new material evidence, the Bureau will not use the facts developed in this Investigation through the Effective Date of the Consent Decree, or the existence of this Consent Decree, to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against TTE concerning the matters that were the subject of the Investigation. The Bureau also agrees that it will not use the facts developed in this investigation through the Effective Date of this Consent Decree, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or take any action on its own motion against TTE with respect to TTE's basic qualifications, including its character qualifications, to hold Commission authorizations.

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<sup>3</sup> See May 14, 2008 LOI.

<sup>4</sup> See Letter from Mike Droese, Vice President and General Manager, Support Operations, TTE Technology, Inc., to Kathryn Berthot, Chief, Spectrum Enforcement Division, Enforcement Bureau (July 10, 2008).

15. **Compliance Plan.** For purposes of settling the matters set forth herein, TTE agrees to maintain a Compliance Plan related to future compliance with the Act, the Commission's Rules, and the Commission's Orders. The Compliance Plan will include the following components.

- (a) **Importation or Interstate Shipment of Receivers.** TTE agrees that every new television receiver imported or shipped interstate into the United States by TTE for sale or resale to the public in the United States on or after the Effective Date of this Consent Decree will be compliant with Section 15.117(a) and Section 15.117(i)(1)(iii) of the Rules.
- (b) **Compliance Plan.** TTE agrees to implement a Compliance Plan (summarized in Appendix A attached hereto and incorporated by reference) to ensure fulfillment of the commitment set forth in Paragraph 8(a) of this Consent Decree.
- (c) **Compliance Reports.** TTE will file compliance reports with the Commission ninety days after the Effective Date, twelve months after the Effective Date, and twenty-four months after the Effective Date. Each compliance report shall include a compliance certificate from an officer, as an agent of TTE, stating that the officer has personal knowledge that TTE has established operating procedures intended to ensure compliance with this Consent Decree, together with an accompanying statement explaining the basis for the officer's compliance certification. All compliance reports shall be submitted to Chief, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554.
- (d) **Termination Date.** Unless stated otherwise, the requirements of this Consent Decree will expire twenty-four months after the Effective Date.

16. **Voluntary Contribution.** TTE agrees that it will make a voluntary contribution to the United States Treasury in the amount of \$12,500.00. The payment will be made within 30 days after the Effective Date of the Adopting Order. The payment must be made by check or similar instrument, payable to the order of the Federal Communications Commission. The payment must include the Account Number and FRN Number referenced in the caption to the Adopting Order. Payment by check or money order may be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000. Payment by overnight mail may be sent to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101. Payment by wire transfer may be made to ABA Number 021030004, receiving bank TREAS/NYC, and account number 27000001. For payment by credit card, an FCC Form 159 (Remittance Advice) must be submitted. When completing the FCC Form 159, enter the Account number in block number 23A (call sign/other ID), and enter the letters "FORF" in block number 24A (payment type code). TTE will also send electronic notification on the date said payment is made to Kathryn Berthot at [kathy.berthot@fcc.gov](mailto:kathy.berthot@fcc.gov).

17. **Waivers.** TTE waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order, provided the Bureau issues an Adopting Order adopting the Consent Decree without change, addition, modification, or deletion. TTE shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Adopting Order, neither TTE nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and TTE shall waive any statutory right to a trial *de novo*. TTE hereby agrees to waive any claims it may otherwise have under the Equal Access to Justice Act, 5 U.S.C. § 504 and 47 C.F.R. § 1.1501 *et seq.*, relating to the matters addressed in this Consent Decree.

18. **Invalidity.** In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

19. **Subsequent Rule or Order.** The Parties agree that if any provision of this Consent Decree conflicts with any subsequent rule or Order adopted by the Commission (except an Order specifically intended to revise the terms of this Consent Decree to which TTE does not expressly consent) that provision will be superseded by such Commission rule or Order.

20. **Successors and Assigns.** TTE agrees that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees.

21. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties. The Parties further agree that this Consent Decree does not constitute either an adjudication on the merits or a factual or legal finding or determination regarding any compliance or noncompliance with the requirements of the Act or the Commission's Rules and Orders.

22. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

23. **Paragraph Headings.** The headings of the Paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

24. **Authorized Representative.** Each party represents and warrants to the other that it has full power and authority to enter into this Consent Decree.

25. **Counterparts.** This Consent Decree may be signed in any number of counterparts (including by facsimile), each of which, when executed and delivered, shall be an original, and all of which counterparts together shall constitute one and the same fully executed instrument.

\_\_\_\_\_  
Kris Anne Monteith  
Chief  
Enforcement Bureau

\_\_\_\_\_  
Date

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Mike Droese  
Vice President and General Manager, Support Operations  
TTE Technology, Inc.

\_\_\_\_\_  
Date

**APPENDIX A****Compliance Plan  
of  
TTE Technology, Inc. (“TTE”)**

- I. TTE has established, on or as of the Effective Date of this Consent Decree, an updated management process to ensure ongoing and future compliance with Commission Rules and regulations. The TTE management personnel delineated in section II below have been charged with monitoring, on an on-going basis, all relevant Commission Rules and regulations applying to the importation or shipment into interstate commerce in the United States for sale or resale to the public in the United States of new television broadcast receivers.
- II. TTE has designated its General Manager, Support Operations (“General Manager”) to administer this Compliance Plan and be directly responsible for TTE’s compliance with the Commission’s Rules and this Consent Decree. In the event the General Manager is unable to continue performing these functions, these functions will be performed by management personnel with similar responsibilities. The General Manager will engage in an on-going review of Commission Rules, orders, and regulations in order to maintain compliance with the Commission’s Rules. This process will be enhanced by the on-going review of Commission Rules, orders and regulations by virtue of TTE’s position on the Consumer Electronics Association’s video board, as well as by TTE’s outside counsel.
- III. TTE has adopted special procedures to ensure that all new television broadcast receivers imported or shipped interstate into the United States for sale or resale to the public in the United States will comply with applicable Commission Rules. Specifically, only digital television broadcast receivers for United States customers will have pricing data associated with them, ensuring that no United States customer will be able to purchase a noncompliant new television broadcast receiver.
- IV. In the interest of expediting a smooth DTV transition and minimizing any potential consumer confusion or disruption, TTE is voluntarily providing a DTV broadcast receiver to replace each analog only TV broadcast receiver that is covered by a warranty exchange as of the Effective Date of the Consent Decree.
- V. In the event of any question concerning appropriate compliance with the Commission Rules or regulations with regard to new television broadcast receivers the General Manager identified in section II above will consult with regulatory counsel.